

III. REMARKS

In the Office Action, numerous ones of the claims were rejected under 35 U.S.C. 102 as being anticipated by Houghton (US 5,140,635) for reasons set forth in the Action. Other ones of the claims were rejected under 35 U.S.C 103 as being unpatentable over the combined teachings of Houghton and various ones of the references Spartz (US 5,878,036), Stone (US 5,767,778), Serbetciooglu (US 5,719,916), and Kennedy (EP 0680171A2) for reasons set forth in the Action.

The following argument is presented to show the presence of allowable subject matter in the claims.

1. Summary of Claim Rejections Under 35 U.S.C 102(b) :

The independent claims of the present application are numbered 19, 59, 82, 85, 94, 97 and 98.

In point 4 of the Official Action, claims 19-25, 27-29, 32-34, 48, 60-65, 67-69, 71-73, 77-79, 81-84, 87, 90-91 and 93-98 are rejected under 35 U.S.C. 102(b) as being anticipated by Houghton et al., US patent no. 5,140,635. Points 5 to 26 of the Official Action present rejections based on Houghton against specific ones of the claims detailed in the list provided under point 4. However, some of the claims whose numbers are quoted in point 4 of the Official Action and some of the subsequent points 5 to 26 do not seem to correspond with the claim language quoted in the corresponding point of rejection. This has led to some uncertainty on the part of the Applicant as to the exact details of the Examiner's rejections.

Furthermore, it would appear from point 4, that Houghton is not considered as a novelty bar against all of the independent claims - For example independent apparatus claim 59 is not referred to in point 4, nor in any of points 5 to 26. Nevertheless, the Applicant assumes it was the Examiner's intention to cite Houghton as a 102(b) novelty bar against all of the independent claims and in response presents detailed arguments in a later section of this document, indicating why all the independent claims are both novel and non-obvious with respect to Houghton.

As far as the rejections under 35 U.S.C. 102(b) directed towards dependent claims are concerned, it is the Applicant's view that establishing the novelty of the independent claims with respect to Houghton should be sufficient in order to establish the novelty of the dependent claims with respect to that document.

2. Summary of Claim Rejections Under 35 U.S.C. 103(a)

Point 28 of the Official Action rejects claims 26 and 30 under 35 U.S.C. 103(a) as being unpatentable over Houghton in view of Spartz et al., US Patent No. 5,878,036.

In response to this rejection, the Applicant observes that the filing date of the Spartz patent is **20th December 1995**. On the other hand, the priority date of the present application is **15th December 1995** (based on the filing of the priority application in Finland). Thus Spartz cannot be used as prior art for the present application and cannot be combined validly with any other document to formulate an obviousness rejection. Therefore, the Applicant respectfully requests the Examiner to reconsider

his rejection of claims 26 and 30 based on the combination of Spartz with Houghton.

Point 31 of the Official Action rejects claims 31, 35, 66 and 70 under 35 U.S.C. 103(a) as being unpatentable over Houghton in view of Stone et al., US Patent No. 5,767,778.

In response, the Applicant observes that the filing date of the Stone patent is **6th March 1996**. This also post-dates the priority date of the present application (**15th December 1995**). Thus Stone, like Spartz, is not prior art for the present application and cannot be combined validly with any other document to formulate an obviousness rejection. In view of this observation, the Applicant respectfully requests the Examiner to reconsider his rejection of claims 31, 35, 66 and 70 based on the combination of Stone with Houghton.

Point 34 of the Official Action rejects claims 44-47 and 55-59 under 35 U.S.C. 103(a) as being unpatentable over Houghton in view of Serbetciouglu et al., US Patent No. 5,719,918 and further in view of Stone.

As pointed out above, the filing date of the Stone patent is later than the priority date of the present application (15th December 1995). This means that Stone cannot be used as prior art for the present application and thus any combination of Stone with other documents should not negate patentability. Therefore, the Applicant respectfully requests the Examiner to reconsider his rejection of claims 44-47 and 55-59 based on the combination of Houghton, Serbetciouglu and Stone.

In point 41 of the Official Action the Examiner rejects claims 36-40, 42-43, 74-76, 80, 86, 88-89 and 92 under 35 U.S.C. 103(a) as being unpatentable over Houghton in view of Kennedy et al., European Patent No. 0 680 171.

Since all of the claims referred to in this point of rejection are dependent claims and it is the Applicant's view that all of the independent claims are both novel and non-obvious with respect to Houghton considered in isolation, the Applicant maintains that all of claims 36-40, 42-43, 74-76, 80, 86, 88-89 and 92 are also novel and non-obvious with respect to the combination of Houghton with Kennedy.

Point 48 of the Official Action rejects claims 49-54 under 35 U.S.C. 103(a) as being unpatentable over Houghton in view of Kennedy and further in view of Stone, US Patent No. 5,767,778.

In response to this rejection, the Applicant reiterates that the filing date of the Stone patent is later than the priority date of the present application (15th December 1995). This means that Stone cannot be used as prior art for the present application and further means that any claim rejections based on a combination of Stone with other documents should not negate patentability. Therefore, the Applicant respectfully requests the Examiner to reconsider his rejection of claims 49-54 based on the combination of Houghton, Kennedy and Stone.

3. Consideration of Currently Pending Claims in View of Houghton

Houghton discloses a wireless (more precisely a cordless telephone) comprising a base unit coupled to a land-line

telephone system and a remote unit that communicates with the base unit over radio frequencies. The remote unit has scrambling circuits (207 and 216) for encrypting voice signals transmitted to the base unit and decrypting voice signals received from the base unit. The base unit also has scrambling circuits (107 and 116) for encrypting voice signals transmitted to the remote unit and decrypting voice signals received from the remote unit. The wireless telephone uses a keypad for initiating a demonstration mode that allows both parties to the conversation to hear the scrambled audio signal (see abstract).

As stated in column 1, lines 25 to 31 of Houghton's patent, conventional cordless telephones that scramble the RF voice signal don't provide for testing the scrambling function to determine if it is working properly and there is a resulting need for a cordless telephone that makes it possible for the RF voice signals to be listened to and also enable the scrambling function to be checked for operation.

Houghton provides a solution to this problem by introducing a **scrambling demonstration function** which provides both parties to a telephone call **the ability to hear the scrambled version of the signal** (column 4, lines 8 to 10).

According to Houghton (column 4, lines 11 to 31), the scrambling demonstration function is initiated by pressing a key e.g. on the keypad of the remote unit. Pressing the key affects the operation of a voice-band scrambler integrated circuit in the cordless telephone. When the voice-band scrambler integrated circuit is active, it operates in such a way that **an already scrambled signal** input into the circuit **is returned to normal** (column 4, lines 32 to 37). Thus, Houghton proposes implementing

the scrambling demonstration function by disabling the entire scrambling integrated circuit, **thereby allowing the scrambled signal to be heard** by the user of the telephone (column 4, lines 46 to 51).

It should be appreciated that in Houghton's system scrambling of the signal between the remote unit and the base unit operates continuously (column 4, lines 3 & 4), i.e. **the signal is never transmitted in a non-scrambled form**, rather it is the operation of the voice-band scrambling integrated circuit within e.g. the remote unit that is affected so that the **scrambled signal can be heard** by the user.

In an alternative embodiment, Houghton discloses that the scrambling circuits in the **receive** paths of both the base and the remote units are disabled in scrambling demonstration mode, but this requires a command to be sent by the unit initiating the scrambling demonstration mode to the other unit, instructing the receiving unit to disable the **receive** path scrambling unit (column 4, lines 52 to 58). Here it should be noted that it is only the operation of the **receive** path scrambling unit that is affected, which means that **signals transmitted between the two units are still transmitted in scrambled form** even during scrambled demonstration mode.

Turning now to consideration of the independent claims of the present application as currently pending, each of claims 19, 59, 82, 85, 94, 97 and 98 includes the limitation that "the mobile communication network and the mobile station" are "capable of data communication in at least one enciphered mode of communication and at least one unciphered mode of communication". **In Houghton's system there is only one mode of**

communication between the remote unit and the base unit and that is a scrambled mode of communication. This is stated categorically in column 4, lines 3 & 4. Thus Houghton contains no teaching, nor any suggestion, that communication between the remote unit and the base unit can take place in any form other than a scrambled form. For this reason Houghton cannot represent a novelty bar for the present invention under 35 U.S.C. 102(b) since Houghton's system is not capable of data communication in at least one enciphered mode of communication and at least one unciphered mode of communication, as required by the independent claims.

Furthermore, each independent claim of the present application contains a limitation relating to a "cipher mode control signal". **In Houghton's system, in contrast, there is no cipher mode control signal.** The command to activate scrambling demonstration mode, sent in the alternative embodiment of Houghton's system, cannot be considered to be a cipher mode control signal or in anyway equivalent to a cipher mode control signal, since it does not provide an indication of whether an enciphered or unciphered mode of communication is to be used. Indeed, in Houghton's system, communication is always performed in scrambled form, so a cipher mode control signal as referred to in the independent claims of the present application is entirely unnecessary in Houghton's system. Houghton therefore provides no teaching relating to transmission of a cipher mode control signal, nor any suggestion that one is necessary, since in Houghton's system there is no possibility to communicate without scrambling. This is a second reason why Houghton cannot represent a novelty bar for the present invention under 35 U.S.C. 102(b).

For all of the aforementioned reasons, the Applicant is of the opinion that the claims of the currently pending application are novel and inventive with respect to prior art and respectfully requests favorable reconsideration of the application.

It is noted that the amendments presented herein may serve to clarify the present invention, but are not required in order to overcome rejections based on the teachings of the cited art.

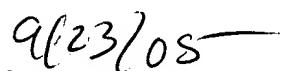
For all of the foregoing reasons, it is respectfully submitted that all of the claims now present in the application are clearly novel and patentable over the prior art of record, and are in proper form for allowance. Accordingly, favorable reconsideration and allowance is respectfully requested. Should any unresolved issues remain, the Examiner is invited to call Applicants' attorney at the telephone number indicated below.

The Commissioner is hereby authorized to charge payment for any fees associated with this communication or credit any over payment to Deposit Account No. 16-1350.

Respectfully submitted,

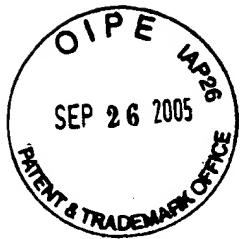


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